

Project Charter

A. General Information

Provide basic information about the project including: *Project Title* – The proper name used to identify this project; *Project Working Title* – The working name or acronym that will be used for the project; *Proponent Secretariat* – The Secretariat to whom the proponent agency is assigned or the Secretariat that is sponsoring an enterprise project; *Proponent Agency* – The agency that will be responsible for the management of the project; *Prepared by* – The person(s) preparing this document.

Project Title:	Electronic Toll Customer Service and Violation Enforcement System	Project Working Title:	Electronic Toll Customer Service and Violation Enforcement System
Proponent Secretariat:	Secretary of Transportation	Proponent Agency:	VDOT
Chair, Transportation Oversight Committee	Deputy Secretary of Transportation	Proponent Agency:	VDOT
Prepared by:	Greg Woodsmall	Date Prepared:	10/26/2005
Edited by:	Kathy Henley, VDOT, ITD	Date Edited:	11/16/2005

Points of Contact

List the principal individuals who may be contacted for information regarding the project.

Position	Title/Name/Organization	Phone	E-mail
<i>Project Sponsor</i>	Chief Financial Officer, Barbara Reese, VDOT	(804) 786-5128	Barbara.Reese@VDOT.Virginia.gov
<i>Program Manager</i>	Director, Innovative Finance and Revenue Operations, Deborah Brown, VDOT	(804) 786-9847	Deborah.Brown@VDOT.Virginia.gov
<i>Project Manager (Designee)</i>	Dulles Toll Road Director, Greg Woodsmall, VDOT	(571) 221-8957	Gregory.Woodsmall@VDOT.Virginia.gov
<i>Proponent Cabinet Secretariat</i>	Secretary of Transportation, Pierce Homer	(804) 786-8032	Pierce.Homer@Governor.Virginia.gov
<i>Chair, Transportation Oversight Committee</i>	Deputy Secretary of Transportation, Ralph Davis	(804) 786-8032	Ralph.Davis@Governor.Virginia.gov

<i>Proponent Agency Head</i>	Acting Commissioner, Gregory Whirley, VDOT	(804) 786-2702	Gregory.Whirley@VDOT.Virginia.gov
<i>Customer (User) Representative(s)</i>	Dulles Toll Road Toll Facility, Director, Greg Woodsmall, VDOT	(703) 383-2697	Gregory.Woodsmall@VDOT.Virginia.gov
	Coleman Bridge Toll Facility Director, Terry Cooke, VDOT	(804) 642-1300	Terry.Cooke@VDOT.Virginia.gov
	Chesapeake Expressway Director, Terry Herbert	(757) 204-0014	therbert@mail.city.chesapeake.va.us
	Dulles Greenway, Chief Executive Officer, E. Thomas Sines, TRIP II	(703) 707-9096	tsines@dullesgreenway.com
	Richmond Metropolitan Authority, Director of Operations, Jim Kennedy	(804) 649-8494	jimk@the-rma.org
<i>Other</i>	Richmond Toll Facilities Director, Vacant	(804) 236-3751	TBA
	IBI Project Manager, Jeremy Siviter, IBI Group	(571) 278-6116	Jsiviter@IBIGroup.com
	Coleman Bridge VES, Myrna Lassiter, VDOT	(804) 642 2425	MP.Lassiter@VDOT.Virginia.gov
	Toll Revenue and Financial Planning Manager, Burt Boehling, VDOT	(804) 786-9805	R.Boehling@VDOT.Virginia.gov
	Murali Rao, Director, Information Technology Applications Division	(804) 786-9702	Murali.Rao@VDOT.virginia.gov

B. Executive Summary

An Executive Summary is required when Sections C thru G of the charter are excessively long. In two or three paragraphs, provide a brief overview of this project and the contents of this document.

This document describes the project in terms of the business needs, scope, schedule and organization necessary to implement a solution for an integrated toll collection and violation enforcement system.

Violation rates on toll roads in Virginia range between 1% to 2% of total transactions and account for annual lost revenue of over \$1.6 million on VDOT's toll roads alone. The toll facilities without an effective violation enforcement system (VES) have little control over violation rates and have identified the need to evaluate the related costs and benefits of a new VES. While this project originally set out to develop the design for such a violation system, the needs analysis, study of best practices, and benefit/cost analysis highlighted the strong linkage between VES and Electronic Toll Collection (ETC) customer service center (CSC). This project will therefore include design and procurement of both VES and CSC functionality and operations.

C. Project Purpose

Explain the business reason(s) for doing this project. The Project Purpose (the Business Problem and Project Business Objectives) is in the Project Proposal, Section B.

I. Business Problem

The Business Problem is a question, issue, or situation, pertaining to the business, which needs to be answered or resolved. State in specific terms the problem or issue this project will resolve. Often, the Business Problem is reflected as a critical business issue or initiative in the Agency's Strategic Plan or IT Strategic Plan.

Violation rates on toll roads in Virginia range between 1% to 2% of total transactions and account for annual lost revenue of over \$1.6 million on VDOT's toll roads alone. Toll agencies without an effective Violation Enforcement System (VES) have little control over toll violation rates and have identified the need to evaluate the related costs and benefits of a new VES. Of the three VDOT toll facilities in Virginia, only one has a violation system. This system is aging, requires significant manual effort to operate and is in need of upgrade. The largest toll facility in Virginia, the Dulles Toll Road, has no violation system and independent studies have shown that toll violation rates can be reduced and income generated through deployment of a violation system.

Additionally, needs analysis, best-in-practice reviews and cost benefit analysis have indicated that the most effective way to deploy and operate a VES for VDOT is to combine the central VES capabilities with the existing electronic toll collection (Smart Tag) customer service center (CSC) system. Since the scope and cost of VES is similar in size to a complete CSC system and since a number of upgrades to the CSC are currently envisioned, this project will develop and

implement a new, integrated VES and CSC system.

The business problems for the integrated CSC and VES can be succinctly defined as the following steps:

- Manage Smart Tag customer accounts;
- Process Smart Tag transactions received from Virginia and E-ZPass agencies; and
- Provide cost effective account management and account query capabilities.
- Identify toll violators;
- Identify those violators that are Smart Tag customers;
- Request payment, track and escalate violations; and
- Provide cost effective processes for handling violator queries and violation disposition.

2. Project Business Objectives

Define the specific Business Objectives of the project that correlate to the strategic initiatives or issues identified in the Commonwealth or Agency Strategic Plan. Every Business Objective must relate to at least one strategic initiative or issue and every initiative or issue cited must relate to at least one project business objective.

<i>Commonwealth or Agency Strategic Plan – Initiative or Critical Issue</i>	<i>Project Business Objectives</i>
Limited Financial Resources	Improve collection of tolls and administrative fees from toll evaders, and improve efficiency of electronic toll collection application by implementing an integrated CSC and VES system.

D. Assumptions

Assumptions are statements taken for granted or accepted as true without proof. Assumptions are made in the absence of fact. List and describe the assumptions made in the decision to charter this project.

An interface can be developed between the existing toll systems and the new central system to support toll transaction exchange. The current central system already communicates with several different systems so this should not be a major issue.

Video based toll violations will continue to be supported by legislation.

Statewide violation processing will be more efficient than processing violations at each toll road.

Additionally, a number of detailed assumptions were made in calculating the cost/benefit analysis which are incorporated by reference from the Cost Benefit Analysis Version 1.0 included as an Appendix to the Project Proposal.

D. Project Description, Scope and Management Milestones

1. Project Description

Describe the project approach, specific solution, customer(s), and benefits. The Project Description is located in the Project Proposal, Section C.

The Integrated Statewide Electronic Toll Customer Service and Violation Enforcement System project concerns the design and procurement of hardware, software and operational staffing to provide services for processing electronic tolls, managing customer accounts, and collecting tolls and fees from users who try to avoid toll payments on the toll facilities. The system will replace the current service center system to provide enhanced capabilities and provide new violation enforcement functions through fully integrated management of electronic tolls and violations. This will ensure a maximum level of customer service to Virginia's electronic toll collection customers while providing the most cost effective collection of violation revenue from nonpayers. The system will accept toll transaction and violation image transaction information from the toll facilities, process this information against electronic toll customer accounts and maintain an auditable balance status for these accounts. Images of violators that do not have accounts will be used to retrieve vehicle owner information from a relevant DMV in order to implement an escalating collection process supported by the system.

The project will include design and procurement of:

- A central system housing the account and violation databases, application processing, operator GUIs and reporting, Internet web site and automated telephone capabilities;
- Camera, image capture and communication equipment installed in the toll lanes and at the toll facility host locations.
- Implementation of a wide area communications network to support transfer of files and,

transactions necessary to support electronic toll collection and violation enforcement;

- Deployment of a geographically separate disaster recovery system that can take over the functions described above and is synchronized with the primary system.
- Turnkey operations services to run the systems described above.

It is anticipated that the system to be procured will be a customized configuration of existing software.

The capital budget for the project is estimated at \$12.1 million which includes installation of equipment in all lanes of the 3 VDOT toll facilities plus the installation, configuration and testing of the central, integrated system.

The system is expected to generate toll and administrative fee revenues of \$9 million per year. Additional customer service functionality is anticipated through the enhanced service center system. Additional service center enhancements are expected to provide reduction in operating costs through reducing credit card fees which currently run at about \$2.5 million per year.

Cost benefit analysis showed that ongoing operational efficiencies gained by integrating the CSC system and VES would offset the additional capital costs. Additionally, a number of enhancements to the CSC system were required to bring the existing operation into line with other comparable systems around the country, to provide the desired level of customer service and to help reduce the operational costs associated with account replenishments through credit cards.

2. Scope

The Project Scope defines all of the products and services provided by a project, and identifies the limits of the project. In other words, the Project Scope establishes the boundaries of a project. The Project Scope addresses the who, what, where, when, and why of a project.

This project includes the procurement of a contractor to provide the following systems and components in accordance with the project schedule to address the business problem defined above:

- Design, installation, configuration and testing of an integrated electronic toll customer service and violation enforcement system consisting of hardware, software and communications to provide the necessary functions. This system will replace the current Smart Tag electronic toll system and will exchange transactions and operational data with the system at each of 7 toll roads in Virginia and the E-ZPass network;
- Design, installation, configuration and testing of cameras and image capture equipment in all lanes of three VDOT toll facilities: Dulles Toll Road, Coleman Bridge, and Powhite Parkway Extension. This equipment will interface to the current lane equipment at each road and will send violation images and transaction information to the toll road host location for further communication to the central processing center;
- Deployment of a geographically separate disaster recovery system that can take over the functions described above and is synchronized with the primary system; and
- Contracted staffing to set-up, operate and maintain the system on behalf of VDOT.

3. Summary of Major Management Milestones and Deliverables

Provide a list of Project Management Milestones and Deliverables (see Section E of the Project Proposal Document). This list of deliverables is not the same as the products and services provided, but is specific to management of the project. An example of a Project Management Milestone is the Project Plan Completed.

<i>Event</i>	<i>Estimated Date</i>	<i>Estimated Duration</i>
<i>Project Charter and Proposal Approved</i>	December 05	1 month
<i>Project Plan Completed</i>	January 06	8 months
<i>Project Plan Approved</i>	February 06	1 month
<i>Development Phase (work with contractor to develop project plans after contract award)</i>	December 05	2 months
<i>Project Execution Started</i>	February 06	8 months
<i>Project Execution Completed</i>	October 06	
<i>Project Closed Out</i>	March 07	6 months

E. Project Authority

Describe the authority of the individual or organization initiating the project, any management constraints, management oversight of the project, and the authority granted to the Project Manager.

1. Authorization

Name the project approval authority that is committing organization resources to the project. Identify the source of this authority. The source of the approval authority often resides in code or policy and is related to the authority of the individual's position or title.

Project Sponsor - Barbara Reese, VDOT Chief Financial Officer.
Program Manager - Deborah Brown, Director Innovative Finance and Revenue Operations

2. Project Manager

Name the Project Manager and define his or her role and responsibility over the project. Depending on the project's complexities, include how the Project Manager will control matrixed organizations and employees.

Greg Woodsmall, Dulles Toll Road Director – Responsibilities:

- Oversee and review work of consultant
- Bring findings and recommendations to Steering Committee for discussion
- Facilitate Steering Committee
- Lead Executive Committee
- Monitor and manage project progress
- Authority to plan, execute and control the project
- Seek input from Advisory Committee
- Convene procurement evaluation team
- Lead procurement evaluation
- Oversee contractor development and testing with assistance of consultant
- Support Internal Audit needs
- Coordinate IV&V activities

3. Oversight

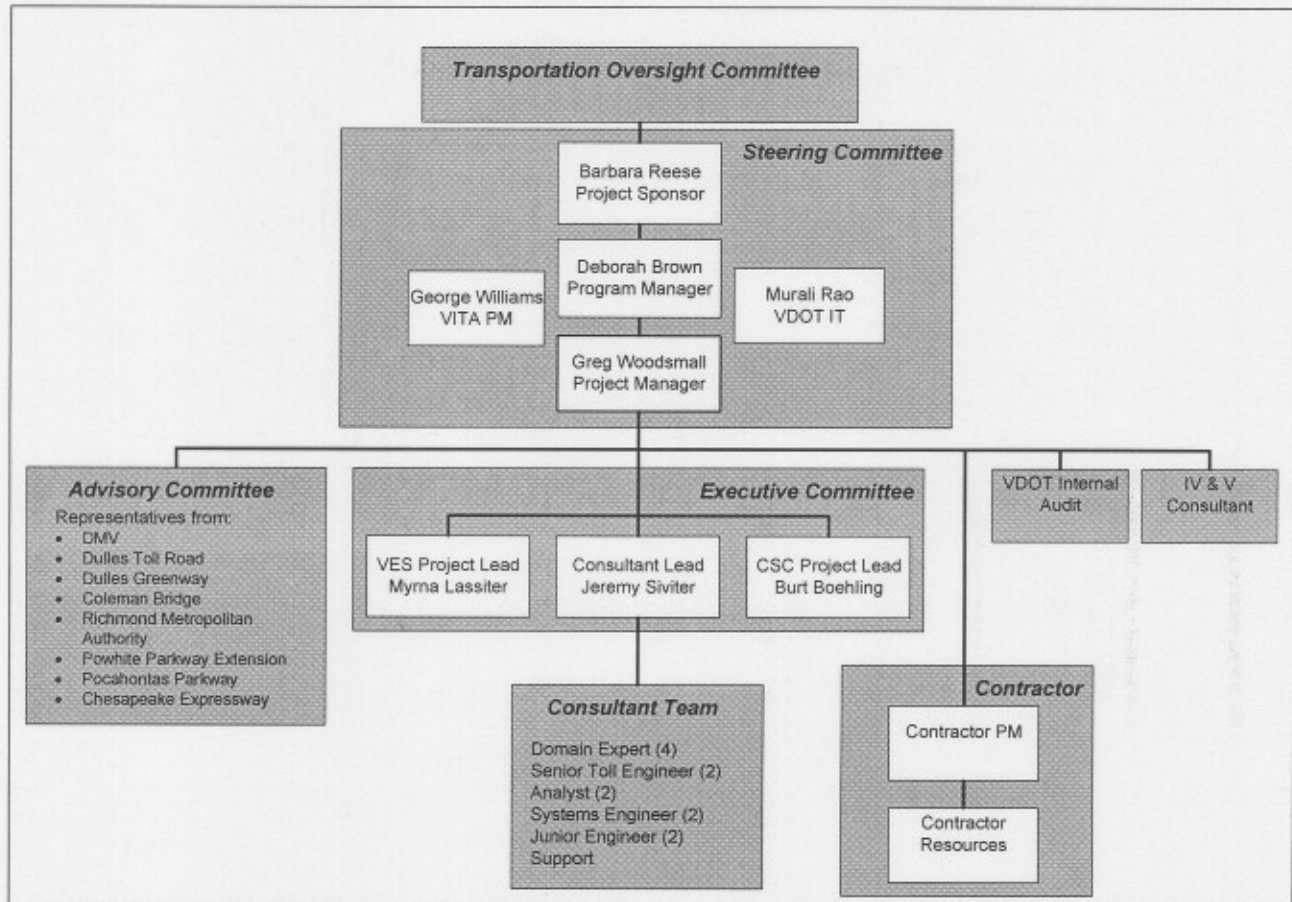
Describe the Commonwealth or Agency Oversight controls over the project.

Information Technology Applications Division is responsible for administering Virginia Information Technologies Agency (VITA) Governance for VDOT. The VDOT Internal Auditors conduct reviews at various stages of the project and report to the Inspector General. Independent Verification and Validation reviews will be conducted at appropriate intervals. The Transportation Oversight Committee provides oversight as well as the VITA IT Investment Board, which monitors projects through the VITA IT Project Dashboard.

F. Project Organization

1. Project Organization Chart

Provide a graphic depiction of the project team. The graphical representation is a hierarchal diagram of the project organization that begins with the project sponsor and includes the project team and other stakeholders.



2. Organization Description

Describe the type of organization used for the project team, its makeup, and the lines of authority.

This project is being spearheaded by VDOT's Innovative Finance and Revenue Operations Division (IFRO). A VDOT project manager has been assigned to oversee the day to day progress of the contract. This project manager reports to the Director of IFRO and coordinates with a Project Executive committee. This Executive Committee consists of subject matter experts and technical leads for the different project areas. An Advisory Committee has been established consisting of representatives from all the toll roads in Virginia that utilize the current Smart Tag service center to process their electronic tolls as well as DMV. Individual participation in the Advisory Committee will vary throughout the project depending on resource availability, project status and the current activities under review. A consultant with specific expertise in toll system design and deployment has been hired to develop a needs analysis, analyze alternatives, develop requirements and assist with the hiring of a contractor or contractors to design, deploy, test and operate the system. The consultant reports directly to the VDOT Project Manager.

Meeting of the committees will be held according to the following guidelines:

- Steering Committee – as needed to approve project documentation and quarterly during execution phase
- Executive Committee – as needed to ensure timely completion of project management activities and to review project documentation and other deliverables. Meetings will be called by the Project Manager
- Advisory Committee – As needed to provide project progress updates and when feedback is required on Executive Committee decisions or project submittals. Meetings will be called by the Project Manager

The Project Manager will be responsible for distributing documents and updates to each of the 3 committees. The Project Manager will also collect and assimilate comments from the Advisory and Executive Committees with the assistance of the Consultant.

VDOT's Internal Audit Division must review and approve the audit and control processes built into the procured system and operation. They will be consulted throughout the project design and deployment phase. A completely independent verification and validation consultant will conduct reviews during the project including VITA required life-cycle reviews.

3. Roles and Responsibilities

Describe, at a minimum, the Roles and Responsibilities of all stakeholders identified in the organizational diagram above. Some stakeholders may exist whom are not part of the formal project team but have roles and responsibilities related to the project. Include these stakeholders' roles and responsibilities also.

The project roles and responsibilities are as follows:

Project Steering Committee

- Review progress of project
- Approve funding requirements
- Ensure coordination between parties
- Approve direction of project in terms of scope, schedule and budget
- Approval authority over planning documents, baseline documents and change management process.

Project Sponsor

- Program funding
- Secure external support where needed

Program Manager

- Review and report on progress of project
- Provide guidance to project manager

Project manager

- Oversee and review work of consultant
- Bring findings and recommendations to Steering Committee for discussion
- Facilitate Steering Committee
- Lead Executive Committee
- Monitor and manage project progress
- Authority to plan, execute and control the project
- Seek input from Advisory Committee
- Convene procurement evaluation team
- Lead procurement evaluation
- Oversee contractor development and testing with assistance of consultant
- Support Internal Audit needs
- Coordinate IV&V activities

Executive Committee

- Review day-to-day progress of the project
- Review and recommend approval of project documentation, contracts and test results
- Negotiate project changes and provide recommendations

Consultant

- Perform needs analysis
- Analyze alternatives
- Compile requirements and procurement documents
- Develop project plans
- Assist in review of proposals and negotiation of contract
- Review contractor submittals
- Monitor and report on contractor progress
- Review contractor testing

Contractor

- Develop detailed technical plans
- Develop project design documents
- Provide external interface specifications
- Develop deployment, maintenance and operations plans
- Develop test plans
- Develop system
- Perform testing
- Integrate systems
- Deploy operation
- Develop VITA documentation
- Provide ongoing performance measures

Advisory Committee

- Review information presented by Executive Committee
- Provide guidance, comments and questions for consideration by Executive Committee

Toll Facilities

- Review and provide comments to Project Manager on consultant and contractor submissions as requested by Project Manager
- Review and provide comments to Project Manager on designs and deployment plans (for those facilities receiving VES) submitted by contractor
- Procure changes to toll hosts to support interface specifications developed by contractor
- Participate in facility based testing

Internal Audit

- Review system design for concurrence with VDOT audit requirements
- Participate in testing
- Review operational processes for concurrence with VDOT audit requirements

Independent Verification and Validation

- Review and validate project processes
- Review and validate delivered system against project requirements
- Review achievement of project performance goals

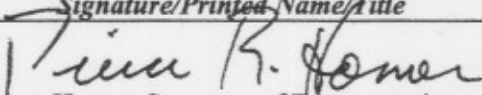
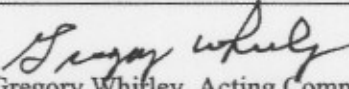
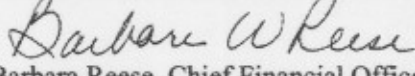
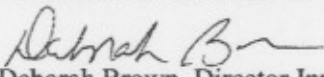
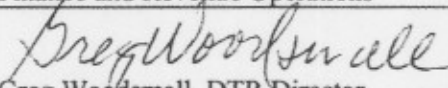
G. Resources

Identify the initial funding, personnel, and other resources, committed to this project by the project sponsor. Additional resources may be committed upon completion of the detailed project plan.

<i>Resources</i>	<i>Allocation and Source</i>	
<i>Funding</i>	<i>Source: Non-general funds</i>	<i>Amount: \$12,113,000</i>
<i>Project Team (Full and Part Time Staff)</i>	Burt Boehling	75 days
	Greg Woodsmall	100 days
	Myrna Lassiter	60 days
	Administrative Services Procurement support	20 days
	Internal Audit	20 days
	Attorney Generals office	5 days
	Program Manager and Sponsor	20 days
	Advisory Committee	20 days
	IT Governance	30 days
<i>Customer Support</i>		
<i>Facilities</i>	Present Smart Tag Customer Service Center	
<i>Equipment</i>	VDOT owned and leased equipment	
<i>Software Tools</i>		
<i>Other</i>		

H. Signatures

The Signatures of the people below document approval of the formal Project Charter. The Project Manager is empowered by this charter to proceed with the project as outlined in the charter.

Position/Title	Signature/Printed Name/Title	Date
Proponent Cabinet Secretariat (as required)	 Pierce Homer, Secretary of Transportation	11/8/05
Proponent Agency Head	 Gregory Whitley, Acting Commissioner	12/5/05
Project Sponsor (required)	 Barbara Reese, Chief Financial Officer	11/8/05
Program Manager	 Deborah Brown, Director Innovative Finance and Revenue Operations	11/8/05
Project Manager (required)	 Greg Woodsmall, DTR Director	11/8/05
Other Stakeholders as needed	NA Murali Rao, Director, Information Technology Applications	
Other Stakeholders as needed		